

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking Regarding Policies,
Procedures and Rules for the Low Income Energy
Efficiency Programs of California's Energy Utilities.

R. 07-01-042
(Filed January 25, 2007)

Southern California Edison Company's (U 338-E)
Application for Approval of SCE's "Change A Light,
Change The World," Compact Fluorescent Lamp
Program.

A. 07-05-010
(Filed May 10, 2007)

**COMMENTS OF PACIFICORP (U 901 E) ON THE KEMA
REPORT AND NATURAL GAS APPLIANCE TESTING ISSUES**

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Date: October 16, 2007

Attorney for PacifiCorp

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**COMMENTS OF PACIFICORP (U 901 E) ON THE KEMA
REPORT AND NATURAL GAS APPLIANCE TESTING ISSUES**

Pursuant to the *Administrative Law Judge's Ruling Seeking Comments on Issues Raised in the KEMA Report and on Natural Gas Appliance Testing Issues* dated September 27, 2007 (the "Ruling"), PacifiCorp respectfully submits these comments to address a series of questions exploring the KEMA Report and whether the LIEE program is meeting the needs of eligible low income utility customers.¹ PacifiCorp appreciates the opportunity to comment in this matter and looks forward to working with Commission staff and other interested parties.

I. INTRODUCTION

PacifiCorp is a small multi-jurisdictional utility that provides electric service to retail customers in six states, including California, Idaho, Oregon, Utah, Washington and Wyoming. PacifiCorp serves approximately 46,500 residential customers located in Shasta, Modoc, Del Norte and Siskiyou counties. PacifiCorp offers a LIEE program for its residential customers with a budget for 2007 and 2008 of \$168,000 annually, including weatherization services to

¹ PacifiCorp has no comments on issues relating to Natural Gas Appliance Testing.

qualifying low-income customers administered locally through community-based organizations (“CBOs”). PacifiCorp also provides a bill discount to 7,554 customers through the California Alternate Rates for Energy (“CARE”) program.²

II. DISCUSSION

A. KEMA Report

PacifiCorp supports the Commission’s objective to improve LIEE programs in a cost-effective manner. Accordingly, PacifiCorp provides the following responses regarding the KEMA Report in the order in which they were presented:

Question 1: What strategies would achieve higher participation in areas where there do not appear to be any unique challenges to expanding participation?

The Commission may want to consider continued cost-effective LIEE messaging to communicate to all residential customers that assistance is available through weatherization services for their homes and bill discounts. Cost effective communication efforts could achieve higher participation rates in areas where no unique challenges exist to expanding participation.

Question 2: Should the LIEE program target specific types of households, e.g., African-American households or large households? If so, what strategies should the utilities use to target identified households?

PacifiCorp does not identify or target specific households based on race or other similar factors.

Question 3: Should the LIEE program target households in specific geographic areas (remote areas, densely populated areas, hot climate areas)? If so, what strategies can be employed to target such areas?

PacifiCorp’s service territory is geographically isolated and rural in nature. Accordingly, PacifiCorp works cooperatively with CBO’s to provide outreach to all customers in need of

² PacifiCorp’s CARE program provides for a 20 percent discount on bills to eligible customers where household income does not exceed 175 percent of the federal poverty income guidelines.

LIEE program services.

Question 4: How can the LIEE application process be simplified to reduce customer confusion during the application process and to reduce the waiting period for LIEE installations?

PacifiCorp works with CBO's to provide weatherization services to qualifying low-income customers. The program is administered locally by the CBOs, including the Del Norte County Senior Center in Crescent City and the Great Northern Corporation in Weed. These efforts by PacifiCorp and the CBO's substantially reduce customer confusion during the application process and reduce waiting periods for LIEE installations.

Question 5: How can the LIEE program be modified to reduce the stigma some customers believe is associated with the program? Can documentation requirements be reduced?

PacifiCorp is unaware of any stigma associated with this program. However, PacifiCorp's CARE application process was simplified in 2006 to include self-certification, which requires a customer to sign a one-page form with no documentation.

Question 6: How can education and training on the use of programmable thermostats be improved to assure more effective use of these technologies? Are there similar/other educational measures that need to be improved?

Great Northern Corp in Weed, California has discontinued installing programmable thermostats in customer homes where the occupants are home most of the day, since these customers do not need to set back the temperature regularly. As a result, the agency concentrates training efforts in homes where occupants are regularly out of their home most of the day and benefit from setting-back the programmable thermostat. This deployment allows for efficient training and educational efforts where they are most needed.

Question 7: How can the utilities coordinate their low income programs with those of other regulated utilities and municipal utilities statewide?

PacifiCorp suggests that all California utilities coordinate communication efforts through

a single statewide campaign so customers who move throughout the state will recognize low income programs and understand how to access assistance in a new service territory.

Question 8: How can the utilities redesign their programs to assure that individual households do not receive measures that are not needed and do receive those that are?

PacifiCorp's LIEE weatherization program is designed so that the CBO's perform an energy audit on each home to determine energy saving measures for that particular home. Recommended measures are installed specific to each home which prevents unnecessary measure installation.

Question 9: How can the utilities reduce the cost of locating eligible customers generally, and in particular, in neighborhoods that are remote or not predominantly low income? What are the prospects for joint marketing with other energy efficiency programs and California Alternative Rates for Energy?

The CBO's are able to determine customers eligible for LIEE measures, including weatherization services and those eligible for the CARE program as the customers when they qualify. Many marketing materials include information on both programs.

Question 10: What other information or recommendations in the KEMA report provide insights about whether and how the utilities could improve LIEE programs?

PacifiCorp offers no additional information or recommendations regarding the KEMA Report.

B. LIEE Program Objectives and Goals

PacifiCorp has no comments on Attachment A at this time. PacifiCorp takes this opportunity, however, to suggest corrections to data contained in the KEMA Report regarding PacifiCorp.

On April 5, 2007, small multi-jurisdictional utilities ("SMJUs"), together with CPUC staff and KEMA representatives, held a teleconference to review findings of the SMJUs as they

related to the draft report. At that time, it was discovered that the report contained factual errors concerning data relating to some SMJUs. Unfortunately, these corrections were not included in the final KEMA Report. PacifiCorp offers the following updated data for the record.

Based on the Energy Division's recommendation in 2006, PacifiCorp recalculated the eligibility percentage for low income programs to eliminate a portion of Del Norte County residents to account for the inmate population at the Pelican Bay prison. Upon eliminating these inmates from the eligible population, the estimated percentage of customers/households eligible for low income programs was decreased from 46 percent to 34.5 percent. PacifiCorp recommends that the tables included in the KEMA Report be updated to reflect the revised penetration number for PacifiCorp. These recommendations include Tables 4-2 as follows:

Table 4-2
CARE and LIEE Eligible Population Estimates for SMJUs, LADWP and SMUD (2005)

PacifiCorp

CARE Eligibility

All Residential Customers	31,347
All Residential Customers Technically and Demographically Eligible for CARE	
175% of Poverty	10,815
200% of Poverty	14,000
250% of Poverty	15,467
Percentage of all residential customers eligible for CARE	
175% of Poverty	35%
200% of Poverty	45%
250% of Poverty	49%

LIEE Eligibility

All Residential Customers	31,347
All Residential Customers Technically and Demographically Eligible for LIEE	
175% of Poverty	10,815
200% of Poverty	14,000
250% of Poverty	15,467
Percentage of all residential customers eligible for LIEE	
175% of Poverty	35%

200% of Poverty	45%
250% of Poverty	49%

Finally, PacifiCorp recommends that the KEMA Report be modified to reflect corrections to Table 5-4 as follows:

Table 5-4

Summary of Annual LIEE Program Participation by SMJU (2003-2006)

PacifiCorp participation

2003	92
2004	53
2005	63
2006	77

III. CONCLUSION

PacifiCorp respectfully submits these comments in response to the above-referenced Ruling directing parties to address certain issues relating to the KEMA Report and LIEE program objectives and goals. PacifiCorp looks forward to working with Commission staff and other interested parties to improve LIEE programs in a cost-effective manner.

Respectfully submitted this October 16, 2007 at San Francisco, California.

By /s/ Ryan Flynn
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CERTIFICATE OF SERVICE

I, Lisa Vieland, certify that I have on this 16th day of October 2007 caused a copy of the foregoing

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to be served on all known parties to R.07-01-042 and A.07-05-010 listed on the most recently updated service list available on the California Public Utilities Commission website, via email to those listed with email and via U.S. mail to those without email service. I also caused courtesy copies to be hand-delivered as follows:

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California Public Utilities Commission
State Building, Room 5702
505 Van Ness Avenue
San Francisco, CA 94102

ALJ Kim Malcolm
California Public Utilities Commission
State Building, Room 5005
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I declare under penalty of perjury that the foregoing is true and correct. Executed this 16th day of October 2007 at San Francisco, California.

/s/ Lisa Vieland
Lisa Vieland

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